

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
AUGUST 18, 2014**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, August 18, 2014.

The meeting was called to order by Chairman Wayne Schuetter.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Wayne Schuetter – Chairman  
Doug Schulte – Secretary  
Alex Emmons – Wastewater Commissioner  
Ken Sendelweck – Electric Commissioner  
Dave Hurst – Water Commissioner  
Keith Masterson – Gas Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Ernie Hinkle – Gas & Water Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Renee Kabrick – City Attorney  
Ashley Kiefer – Office Manager

**ABSENT:**

Rick Stradtner – Vice Chairman

**PLEDGE OF ALLEGIANCE** (DVD-00:44)

Chairman Wayne Schuetter led the Pledge of Allegiance.

**QUOTE OPENING: LOADER BACKHOE – WATER** (DVD-01:07)

Hauersperger opened the quotes and read them aloud as follows:

- |  |   |
|--|---|
| 1. ERB Equipment Co.<br>Evansville, IN | \$ 83,527.00<br>\$- <u>66,000.00</u> (trade-in)<br>\$17,527.00  |
| 2. Whayne Supply<br>Evansville, IN     | \$112,121.00<br>\$- <u>69,000.00</u> (trade-in)<br>\$ 43,121.00 |

3. Hopf Equipment	\$ 87,600.00
Huntingburg, IN	\$ <u>-80,635.00</u> (trade-in)
	\$ 6,965.00

All quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Ernie Hinkle asked for the Board's permission to purchase the loader backhoe from Hopf Equipment, the low bidder, if all specifications were met.

Alex Emmons made a motion to give Hinkle permission to purchase the loader backhoe from Hopf Equipment if all specifications were met. Keith Masterson seconded the motion. Motion approved, 6-0.

### **APPROVAL OF MINUTES** (DVD-06:24)

Chairman Wayne Schuetter presented the minutes of the July 21, 2014 Regular Meeting and the August 8, 2014 Special Meeting. Ashley Kiefer stated that one change needed to be made to the July minutes. Under the section to extend the four inch gas main to improve infrastructure of the Kimball Industrial Park area, the money will not be coming from the Maintenance of Mains fund as stated in the July minutes. The money for the project will be coming from the Depreciation fund.

Ken Sendelweck made a motion to approve the minutes of the July 21, 2014 Regular Meeting as corrected. Dave Hurst seconded the motion. Motion approved, 6-0.

Doug Schulte made a motion to approve the minutes of the August 8, 2014 Special Meeting as presented. Keith Masterson seconded the motion. Motion approved, 6-0.

### **REQUESTS FOR EXPRESSION OF INTEREST BEING SENT OUT** (DVD-08:18)

Bud Hauersperger stated that he is currently in the process of sending out Requests for Expressions of Interest (REI) for utilization of the Power Plant. He has sent out about a dozen at this time and will continue to look for more contacts.

### **ELECTRIC PLANNING COMMITTEE REPORT** (DVD-08:55)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated that the Committee did not meet during the past month.

### **RESULTS OF DUMP TRUCK QUOTE OPENING** (DVD-09:01)

Ernie Hinkle informed the Board that they have ordered the dump truck from the low bidder, Ruxer Ford, for \$67,000 which met all specifications. Hinkle stated that the dump truck was on the Capital Expenditure Plan for \$85,000.

### **GAS PLANNING COMMITTEE REPORT** (DVD-09:26)

Keith Masterson, Chairman of the Gas Planning Committee, stated that the Gas Committee did meet on August 12, 2014. At the meeting the Committee discussed the Whoderville gas main extension project. Hauersperger stated that as of August 1, 2014, twenty-nine residents in the Whoderville area are interested in hooking up to gas service. Construction costs for the gas main extension project are estimated at \$92,129.

A \$1,000 deposit will be required at the signing of a commitment letter, in addition to a monthly charge, payable over a ten year period. The estimated monthly charge per residence is \$18.19. This amount will be evaluated and adjusted after the first 12 months to reflect the actual final cost of the project. The monthly charge will then be reviewed every two years following, to accommodate for new customers and changes in interest rates.

Attorney Kabrick clarified that she will be sending an agreement along with a letter of commitment to the Whoderville residences. This agreement, along with the \$1,000 deposit, must be signed and returned to the City by September 12, 2014, if the residence is interested in participating in the gas main extension project. If the agreement is signed and returned after this date, a \$1,500 deposit will be required versus a \$1,000 deposit. Ashley Kiefer, Business Office Manager, will investigate how to incorporate the monthly charges onto the utility bills. The monthly charge may be seen on utility bills as early as October.

Attorney Kabrick explained that historically annexation waivers are always obtained when extending utility service outside the City limits. In 2001, the Whoderville area was demanded, by the County, to hook up to the City sewer line. Due to the circumstances, annexation waivers were waived by the City at that time. Now, all Whoderville residences hooking up to the gas main will be required to sign an annexation waiver, which will need to be returned, along with the agreement. There are no additional charges for the annexation waiver. It is City policy.

The Whoderville residents are uncertain about signing the waivers. Kabrick stated that she would add information to the commitment letter on the requirement for the annexation waiver to alleviate any concerns the residents may have. If they have any questions concerning the annexation waiver they should feel free to contact her. The Mayor said that at this time, there is no intent to annex this area.

The Committee agreed to recommend approval of the Whoderville gas main extension project and timelines to the Utility Service Board. The Common Council would then need to give approval for the project at the Council meeting on August 20<sup>th</sup>. Final approval to start the project would be made at the September 15, 2014 Utility Service Board meeting, if there is enough participation. The Committee also recommends that an opt-out clause be added to the letter of commitment, if less than 20 residences sign up for the project.

Doug Schulte made a motion to recommend to the Common Council the Whoderville gas main extension project and the timelines. Dave Hurst seconded the motion. Motion approved, 6-0.

Chairman Schuetter commended Ernie Hinkle, Bud Hauersperger, and Brad Thomas on all their hard work to make the gas extension project possible.

#### **WATER PLANNING COMMITTEE REPORT** (DVD-15:41)

Dave Hurst, Chairman of the Water Planning Committee, stated the Committee did not meet during the past month.

**MANHOLE RE-LINING PROJECT COMPLETE** (DVD-15:48)

Ed Hollinden informed the Board that the manhole relining project is complete. Twelve manholes were relined at a cost of \$27,300.

**REQUESTS TO CONNECT TO SEWER SYSTEM** (DVD-16:02)

Hollinden asked for the Board's permission to approve a non-resident sanitary sewer connection for Lenny and Nancy Marks on Hillcrest Drive. The Marks' are asking for sanitary sewer hookup to one of the two lots they own on Hillcrest Drive. The extension is less than 400 feet. The project will be paid in full by the customer. Hollinden recommends approval, pending the annexation waiver being signed and recorded.

Keith Masterson made a motion to approve the non-resident sanitary sewer connection for Lenny and Nancy Marks, pending the annexation waiver. Dave Hurst seconded the motion. Motion approved, 6-0.

Hollinden also asked for the Board's permission to approve a non-resident sanitary sewer connection for Nick Arthur in the Maple Ridge subdivision in Whoderville. There are other residences in this subdivision that are connected to the sanitary sewer already. Hollinden recommends approval, pending the annexation waiver being signed and recorded.

Alex Emmons made a motion to approve the non-resident sanitary sewer connection for Nick Arthur in Whoderville, pending the annexation waiver. Keith Masterson seconded the motion. Motion approved, 6-0.

**WASTEWATER PLANNING COMMITTEE REPORT** (DVD-18:51)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

**ADDENDUM TO RFP FOR FIBER NETWORK & FIBER TO THE HOME** (DVD-19:02)

Bud Hauersperger stated that an addendum was sent out for fiber to the home in addition to the fiber to City offices. The proposals from the three companies are due in by August 29<sup>th</sup>.

**WASTEWATER RATE STUDY UPDATE** (DVD-19:37)

Hauersperger stated that Umbaugh is currently collecting information for the Wastewater rate study. They should have all reports completed in a couple of weeks. A Committee meeting will be scheduled to review the results.

**WAGE STUDY UPDATE** (DVD-20:03)

Hauersperger stated that the Common Council is presently reviewing the information on the wage study results. The Utility Service Board will review the results again, next month, when the Salary Resolution for 2015 will be presented for approval.

#### **BEAVER DAM INSPECTIONS** (DVD-20:42)

Hauersperger informed the Board that the DNR requires the Dam to be inspected every two years. During the construction of the new Dam this was not necessary. It has been two years since the new Dam was constructed and it is now time for an inspection. Christopher Burke Engineering LLC (CBBEL) drafted a proposal for \$4,000 to do the inspection.

Hauersperger stated that in years past he has checked with other vendors and CBBEL has always been substantially lower. CBBEL has always done the inspections in the past. They have all the data from previous inspections. Hauersperger asked for the Board's permission to approve CBBEL to do the inspection on the Beaver Lake Dam.

Ken Sendelweck made a motion to approve CBBEL to perform the inspection at the Beaver Lake Dam for \$4,000, contingent upon legal review. Dave Hurst seconded the motion. Motion approved, 6-0.

#### **FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (DVD-22:57)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Keith Masterson made a motion to approve the claims as presented. Dave Hurst seconded the motion. Motion approved, 6-0.

#### **UTILITY DEPOSIT POLICY REVIEW** (DVD23:31)

Attorney Kabrick stated that over the past 6 to 12 months there have been a number of utility customers required to make large deposits for services in new buildings or existing buildings. As a result of the questions and concerns, Attorney Kabrick has contacted Hackman, Hewlett, and Cracraft to provide alternatives to the Utilities with our own deposit policy.

Attorney Kabrick recommends hiring Hackman, Hewlett, and Cracraft as a consultant to review the policies and any alternatives that we might think are feasible and viable for the City of Jasper. They have provided an engagement letter for a not-to-exceed \$5,000 for their consultation services. Attorney Kabrick asked for the Board's approval to hire Hackman, Hewlett, and Cracraft for consultation services for a not-to-exceed \$5,000.

Chairman Schuetter stated that the current deposit is based on 1 ½ months of the average bill of the existing building. That was put in place to protect the assets of the Utilities and other rate payers from absorbing costs due to someone going out of business, bankruptcy, etc., not to stymie economic development.

Ken Sendelweck made a motion to approve hiring Hackman, Hewlett, and Cracraft for deposit review consultation services for a not-to-exceed \$5,000. Doug Schulte seconded the motion. Motion approved, 6-0.

There being no further business to come before the Board, the meeting was adjourned at 7:31PM upon motion by Alex Emmons and second by Keith Masterson. Motion approved, 6-0.

The minutes were hereby approved \_\_\_\_\_ with   X   without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Attest: \_\_\_\_\_  
Secretary Chairman